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Country review report for Poland*

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* The present report contains a summary of the findings of the review. The full text is available in the language of submission from the Executive Board secretariat.

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Introduction

1. In accordance with the procedures set forth in the UNDP Programming Manual for the review of country cooperation frameworks (CCFs), a review of the CCF for Poland was held in November 1999, followed by a high-level consultative meeting in early December. The review mission included a senior external consultant, a Deputy Resident Representative from another UNDP country office within the region, a senior national consultant, and an official nominated by the Ministry of Foreign Affairs. Discussions took place mainly in Warsaw, but the mission also visited projects, non-governmental organizations (NGOs), and national and regional authorities in Katowice, Pozna and Sopot.

2. The review mission was guided by the terms of reference and the relevant guidelines of the UNDP Programming Manual. It reviewed the advisory note and the UNDP country cooperation framework for Poland for 1997-1999, as well as project documents, reports and financial data. National human development reports for the last two years were also consulted.

I. The national context

3. Since 1989, Poland has been bringing about major political transformation with the aim of establishing a democratic system and of carrying out the transition from a centrally planned economy to a free-market economy. This major change has led to the successful creation of the most dynamic economy in the region, in spite of numerous difficulties related to unemployment and other social upheavals.

4. The economic transition to a free-market economy has been accompanied by political and social changes which have created both opportunities and new challenges. The need to transform large parts of the country's industrial base has led to an expansion of poverty and unemployment and has widened income disparities, making them unprecedentedly visible. However, in spite of differences in ways and methods, the main political parties and the great majority of the population continue to support the general direction of the transition process.

5. Environment is another area that needs massive intervention. Despite progress already achieved, the population and environmental deterioration caused by indifferent and careless industrial policies prior to the changes of 1989 are of major concern to both the authorities and the public at large. However, to address these problems would demand policy changes and heavy investment, which may place, at least initially, an additional burden on the population.

6. The new coalition, established after the 1997 elections, started implementing pending reforms in the areas of education, health, social security and local government. Far-reaching changes in finance and fiscalities are currently under active preparation. Owing to the lack of certain mechanisms, which are not yet in place, the simultaneous implementation of these major reforms is exceptionally challenging and difficult. The pressure of the tight timetable for accession to the European Union, presently the highest national priority, and hesitance of the previous Government to launch the necessary reforms, have led to the need to address these reforms concurrently. As could be expected, this resulted in protests by some population groups, as the sometimes poorly coordinated activities only added to the difficulties of their everyday life.

7. In terms of development, Poland, as a member of the OECD, is considered as an emerging donor, although it still remains a programme country in the sense that it benefits from bilateral and multilateral assistance. In recent years, the Government has initiated efforts to create a national technical assistance-cum-humanitarian-aid system, coordinated at the government level. In 1998 the Government declared that Poland would participate more actively in resolving global development issues and decided to develop a comprehensive national strategy of development cooperation and an organizational structure for its implementation. A draft strategy will be submitted in the very near future to the cabinet for approval. Poland has also recently allocated substantial resources for projects and programmes, technical assistance, capacity-building, human rights, health care and humanitarian aid in Albania, Bosnia, Kosovo, Democratic People's Republic of Korea, eastern and central Africa. The active participation of Poland in a great number of United Nations peacekeeping operations makes it the single largest contributor to these important activities of the United Nations.

II. The country cooperation framework

Findings

8. The current CCF represents a sound and overall effective effort of cooperation between Poland and UNDP and makes a relatively modest, though in many ways strategic, contribution to Poland's national-development efforts. The CCF is closely linked to European integration as a priority of domestic and foreign policy, and includes the following thematic areas: (a) support to governance and European integration; (b) promotion of sustainable livelihoods; and (c) fostering of environmental and natural-resource sustainability. The Government and other UNDP partners have perceived UNDP neutrality as a distinct asset because it has enabled various parties to work together on issues that would otherwise have been difficult to address. The process of preparing the new CCF has also shown that the Government and other partners would like to see UNDP play more of a "social conscience" role with regard to reforms, which may bring serious hardship to the population in the form of increased unemployment and a diminishing social-safety net.

Recommendations

9. The thematic priorities of the current CCF should be continued. They are governance, European integration, and sustainable livelihoods and environmental and natural resources. The main thrust of the next CCF should be based on activities accompanying the massive reform programmes, which are supported by financial resources from the European Union and the World Bank. A large part of these funds will be used by the elected local authorities who at this juncture may not be fully prepared to shoulder such responsibilities. UNDP should support these efforts through systematic and coordinated approaches towards capacity-building and the establishment of management structures and procedures, as well as of financial control and monitoring mechanisms. UNDP should assist the competent authorities to develop strategies that will help those who may suffer hardships and destitution as a consequence of economic reforms.

Agreed action

10. The new CCF will further respond to the rapidly changing development situation in Poland, and will focus on Poland's current central development objective. More emphasis will be placed on the capacity-building of local authorities, civil society and NGOs, and the promotion of sustainable livelihoods, thereby lessening the negative social fallout of reforms on vulnerable groups. The UNDP country office will further enhance partnerships with the European Union and the World Bank.

III. Programme performance

Findings

11. Programme performance between 1997 and 1999 has revolved around three clusters that have demonstrated results. The programming initiatives undertaken by UNDP have closely adhered to the CCF proposed areas of focus.

12. In general, the projects are well conceived and managed satisfactorily by the national project authorities concerned, supported by the UNDP programme office.

Support to governance and European integration

13. The core UNDP project in Poland is the capacity-building for European integration umbrella project, which is targeted at selected objectives of key relevance to Poland's planned accession to the European Union, such as quality management in public administration and private enterprises. It is an innovative project that has begun marketing its products and services. This project probably represents the highest cost-sharing ratio (1:10) in the region.

14. Since 1995, national human development reports (NHDRs) have been produced annually under the auspices of the UNDP office. They play a significant role, drawing decisionmakers' attention to issues and problems arising from the transition and reform process. Identifying NHDR topics followed wide consultations with the many structures of the Government, the United Nations system in Poland, civil society and the academic community. The UNDP office has assured a high level of visibility for the reports. One of the highest profile initiatives of UNDP

in Poland has focused on sustainable human development of the main industrial region, the Katowice Agglomeration. UNDP has helped to spawn debates and discussions on key factors affecting people's lives, employment and environment, with special emphasis on the most vulnerable groups, particularly women, children and the unemployed.

Sustainable livelihoods

15. Other UNDP initiatives include a number of projects that address the specific needs of the most vulnerable groups, while striving to develop a national strategy. These include managing the social and public-health consequences of HIV/AIDS; supporting civil-society organizations in counteracting family violence; reducing poverty and social exclusion; and reforming the social security system. UNDP has continued its support to national authorities in mitigating the social impact of HIV/AIDS and in establishing preventive measures. The project has also focused on harm reduction and awareness-building among drug users. The project has initiated campaigns to inform the public and medical professionals about the epidemic and how to address it. UNDP support to the national AIDS plan has been very important, especially in helping to change attitudes and placing the issue in a broader human-rights context. The Counteracting Violence-Equalizing Chances project has broken new ground in addressing the problems related to domestic violence. In close collaboration with the Government and local authorities, UNDP has helped to mobilize resources and NGO efforts aimed at the establishment of 16 regional family assistance centres throughout the country. This project is in direct response to the Beijing Platform for Action. The aim of the reduction of poverty and social exclusion project was to develop a national strategy to combat poverty. The poverty reduction initiative, including the efforts to create a national employment plan, are a direct implementation of the recommendations of the Copenhagen Plan for Action. Under the reform of the social security system, UNDP facilitated the efforts of the Government in launching the new schemes in this sector and initially helped to prepare the draft legislation. The project was subsequently extended through 1999 to help implement a public information campaign.

Promotion of environmental and natural resources

16. The projects in this area have focused on the urban environment and the continuation of the Small Grants Programme of the Global Environmental Facility (GEF), including the development of new projects for larger scale GEF funding. The urban environmental management and sustainable development in the Katowice Agglomeration project has concentrated on preparing twelve feasibility studies for the reuse of post-industrial areas. The studies produced by the project are technically sound and valuable. They have led to development of urban indicators, which have passed the phase of regional consultations and have now reached the final phase, following the recommendations of the Habitat II Conference in Istanbul. The Small Grants Programme, resting largely on the structures of the United Nations Conference on Environment and Development, continues to be the main avenue for UNDP cooperation in the area of biodiversity and climate-change mitigation.

Recommendations

17. The upstream approach should be supported. A more strategic and synergetic approach to the renewed CCF thematic areas is necessary. The national execution of programmes should continue under the supervision of the office of the Resident Representative. More active involvement of the relevant government body, including appropriate monitoring and auditing, should be solicited. Building public-management capacity at local levels should become the main UNDP approach, supporting capacity-building for European integration. NHDRs should be used both to advocate key changes for vulnerable groups and to track poverty changes. The high level of visibility of NHDRs should be maintained. UNDP should play a greater role in bridging the different authorities and NGOs, specifically by fostering dialogue that will allay the negative consequences of reform on vulnerable groups. UNDP should also, together with other partners, help to share Polish expertise with other countries in transition. In the environmental area, various GEF initiatives should be continued and become examples of the best practice of the integrated approach, which combines social services for the poor, income-

generating activities, biodiversity and the use of renewable-energy sources.

18. The UNDP office should be structured in a way that will allow a more synergetic team approach to programme development and management. The UNDP team should strictly adhere to UNDP financial and administrative programme rules and regulations and ensure that their government partners understand them. Key strategic interventions will further encourage cost-sharing, not only from multi-bilateral donors, but also from national counterpart agencies and local communities. More substantive support from UNDP headquarters will be necessary for the final phase of the UNDP programme in Poland. UNDP should consider placing a strong, first-rate economist, even on a short-term basis, to strengthen the country office capacity for economic analysis and substantive dialogue with partners.

Agreed action

19. National execution will continue to be the main execution modality in the next cycle. The preparation of NHDRs will be continued. The further refinement of the Human Development Index (HDI) and the Human Poverty Index (HPI) will be considered. The umbrella project, as a best practice, will share its experience with a number of European Union candidate countries and, if needed, will be extended on demand. Integration and delivery of services to the poor will be highlighted. UNDP will initiate important interventions, using the Polish experience, to help other countries in transition. GEF initiatives will be continued.

20. In early 2000, the UNDP office was restructured in line with the recommendations of the country review, including new programme and administrative sections. The Regional Bureau for Europe and the Commonwealth of Independent States (RBEC), in close collaboration with other units of headquarters, will provide technical support to the new programme section to enhance the capacity for programme design and delivery. Detailed terms of reference were elaborated for the administrative section and the Programme Support Unit, as needed, to effectively manage the financial and administrative side of UNDP operations. The Programme Working Group and the Government questioned the need to strengthen the economic capacity of the office. More important would be to strengthen its capacity for analysis of the social dimensions of reform.

IV. UNDP support to the United Nations

Findings

21. Only a few other United Nations agencies, such as the Office of the United Nations High Commissioner for Refugees (UNHCR), the World Bank and the International Monetary Fund (IMF), maintain country offices in Poland. The UNDP Resident Representative/ United Nations Resident Coordinator also represents United Nations Population Fund (UNFPA), United Nations Environment Programme (UNEP), United Nations International Drug Control Programme (UNDCP) and the World Food Programme (WFP), and United Nations Information Centre (UNIC) as acting Director. In all other cases, United Nations agencies are represented, if at all, by national commissions, national liaison offices or correspondents. This is particularly the case for the Food and Agriculture Organization of the United Nations (FAO), the International Labour Organization (ILO), the United Nations Educational, Scientific and Cultural Organization (UNESCO), the United Nations Children's Fund (UNICEF) and the World Health Organization (WHO). The United Nations Resident Coordinator is in regular contact with all these persons and bodies and maintains good relations with them. Quarterly coordinating meetings are scheduled between the various United Nations agencies, which discuss the major issues facing the United Nations system in Poland. There are currently too few substantive development activities from the other United Nations agencies to provide room for active cooperation.

Recommendations

22. UNDP should take a more proactive approach towards collaboration between United Nations agencies, in spite of the fact that there are currently only a few substantive development activities from other United Nations agencies. Collaboration with the World Bank should be reinforced based on substantive issues and not only as a potential source for cost-sharing funds. Support activities under a common United Nations framework should enhance the impact of the United Nations system in raising Polish standards to a level consistent with European Union requirements, based on the government agenda for European integration.

Agreed action

23. UNDP will further intensify its activities with United Nations partners within the United Nations country team. In concert with other members of the United Nations country team, UNDP will especially focus on the social dimensions of reform, in support of strategic efforts to meet the development levels set out in the government agenda for accession to the European Union.

Annex

Financial summary

Country: Poland
CCF period: 1997-1999
Period covered by the country review: 1997-1999

Regular resources	*Amount assigned for the CCF*[a]	*Amount planned for the period under review*	*Estimated expenditure for the period under review*
	(Thousands of US dollars)		
Estimated IPF carry-over	158	219	219
TRAC 1.1.1 and TRAC 1.1.2 (66.7% of TRAC 1.1.1)	948	711	831
TRAC 1.1.3			
Other resources	719	540	627
SPPD/STS	89	75	54
Subtotal	**1 914**	**1 545**	**1 731**

Other resources	*Amount targeted for the CCF*[b]	*Amount mobilized for the period under review*	*Estimated expenditure for the period under review*
	(Thousands of US dollars)		
Government cost-sharing	2 100	1 454	2 299
Third-party cost-sharing	4 600	3 634	2 389
Sustainable development funds			
GEF	1 400	1 334	112
Funds, trust funds and other			
Other (PSI)	67	69	71
Subtotal	**8 167**	**6 491**	**4 871**
Grand total	**10 081**	**8 036**	**6 602**

[a] Prorated for the period under review.
[b] Prorated for the period under review.
Abbreviations: GEF = Global Environmental Facility; IPF = indicative planning figure; PSI = poverty strategy initiative; SPPD = support for policy and programme development; STS = support for technical services; TRAC = target for resource assignment from the core.